

Finance Committee Agenda

October 21-22, 1999

College of Southern Idaho, Twin Falls Idaho
Idaho School for the Deaf and the Blind, Gooding Idaho

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Note 1: There are no pages 1.2, 2.2, 2.6, 3.4, 3.6, 3.14, 4.2, 5.2, 5.8, 6.2, 7.2, and 8.2 on this web version. They are blank insert pages not needed when the agenda is printed from the web.

Note 2: Page 3.2 is not available on the web. It is a map related to ISU's request for approval to purchase the Rhoads building at 1030 S. 2nd Avenue in Pocatello. If you need this page, call 334-2270 and request "Page 3.2 of the October 1999 Finance Committee Agenda."

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Action Item

ITEM #1

SUBJECT:

Approval of Finance Committee Minutes.

BACKGROUND:

The minutes from the September 23, 1999 Finance Committee meeting are attached.

DISCUSSION:

NA

FISCAL IMPACT:

NA

STAFF RECOMMENDATIONS:

Review, make necessary corrections, and approve minutes.

COMMITTEE ACTION:

A motion to approve the minutes of the Finance Committee Meeting, held September 23, 1999, at Idaho State University.

Moved by_____, Seconded by_____, Carried, Yes___No___

BOARD ACTION:

No action required.

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**Unapproved
Minutes**

**Idaho State Board of Education
Finance Committee
September 23, 1999
Idaho State University, Clearwater Room, Pocatello, Idaho**

Present at Finance Committee:

Jerry Hess, Chair	Jerry Wallace, UI	Phillip Kottraba, IPTV
Tom Boyd	Leonard Johnson, UI	Rita Foltman, OSBE
James Hammond	Michael Burke, NIC	Lydia Guerra, ES
Keith Hasselquist, OSBE	Bill Robertson, EITC	Tom Morley, Gov's Office
Harry E. Neel, Jr., BSU	Gene Peterson, ISDB	Gary Felt, DFM
Brent Winiger, BSU	Kirk Dennis, PTE	Todd Bunderson, LSO
Ken Prolo, ISU	Hector DeLeo'n, PTE	Erin Walters, Lewiston Tribune
Leo Herrman, ISU	Steve Guerber, ISHS	

The meeting was called to order at 1:35 PM.

**Item #1 Action Item
 Approval of the Finance Committee Minutes**

The minutes of the Finance Committee meeting held June 17, 1999 at the University of Idaho were approved with the following corrections:

Page 1.11 Item #13 Second Paragraph ISU Bookstore operations proposals:

All references to Paulette should correctly be Follett and all references to Walden should correctly be Wallace.

ACTION: M/S/C (Hammond/Boyd)

**Item #2 Routine Action Items
 Institutional/Agency Routine Agendas**

Authorization requested by Institutions and Agencies to allow carry-over of funds from FY1999 to FY2000 as listed.

One motion approves all requests included in Item #2.

No further discussion.

ACTION: M/S/C (Boyd/Hammond)

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Item #3 Nonroutine Action Item

University of Idaho Execution of Palouse Empire Mall Ground Lease with National Realty Finance

Request authorization for the Vice President for Finance and Administration to execute a ground lease, covering land commonly known as the Palouse Empire Mall, with National Realty Finance L.C. of Kansas City, Missouri, if the current ground lease with Palouse Empire Mall Associates is ever terminated or cancelled due to a default which cannot, by its nature, be cured by National Realty Finance L.C.

No Discussion.

ACTION: M/S/C (Hammond/Boyd)

Item #4 Action Item

Intercollegiate Athletics

The full Board will be discussing Intercollegiate Athletics when they reconvene following the committee meetings.

The five options were briefly discussed as was a proposal distributed by President Ruch supporting Option #1.

The intercollegiate athletic reports will be presented to the Finance Committee during the October meeting and concerns have been expressed on full disclosure of facilities cost. ISU, UI, and BSU have multi-use facilities used mainly for athletics, however, other activities include classes, community support activities, and an entertainment center. The Financial Vice Presidents and Budget Directors will agree to a common reporting format of the cost of facilities.

It was agreed that it would be appropriate to postpone Committee action on this item until the full Board has discussed it. Once a recommendation has been approved by the full Board, the Finance Committee will outline the implementation process including defining terms and conditions so that the policy is consistently applied to each institution.

Item #5 Action Item

FY2001 Budget Request Follow-up

Motions #1-4 are resubmitted, three with modifications and one without, as requested by the Board. Motions #5-7 are separate requests made by two presidents for reconsideration that included:

- BSU requesting to have the information technology infrastructure added to the capital project list;
- ISU requesting that the classroom building planning funds of \$100,000 be added to the capital project list; and
- ISU requesting to have the two Family Practice Residency Programs requests equal in amount.

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In opening the capital budget requests, it was pointed out that the revised process would ignore NIC's capital requests. President Burke addressed the Committee regarding NIC's Allied Health Nursing and Life Sciences proposal. He indicated that it would be an expensive endeavor and is an outgrowth of a comprehensive facilities master plan that has been produced and funding approved by the State Board and the Department of Public Works. The document is now being finalized. This program is a top priority in that plan. Adding \$100,000 to NIC's existing request of \$11,000,000 would allow the college to continue with this vital project to replace an aged facility that houses one of their best programs and one that has the longest waiting list.

Mr. Hasselquist added that IPTV had a request to replace a tower that was submitted to Division of Public Works. The amount requested is \$300,000 and would need to be added to the current list. The tower is needed for the digital conversion and will support both the analogue and digital systems and be a joint venture in cooperation with a commercial station. Mr. Hess stated that it should be included in this month's capital request.

The Finance Committee agreed that the following items would be added to the capital budget request, all as priority #8.

- \$1,000,000 BSU infrastructure;
- \$100,000 ISU classroom building – planning;
- \$100,000 NIC Allied Health Nursing and Life Sciences; and
- \$300,000 IPTV analogue/digital systems tower in cooperation with a commercial station.

All motions were approved with one action.

ACTION: M/S/C (Hammond/Boyd)

Item #6 Action Item **First Reading Policy Change Section V.T.2.b(4)**

Mr. Hess summarized this motion as a formality for what the Committee previously approved. No further discussion.

ACTION: M/S/C (Hammond/Boyd)

Item #7 Action Item **First Reading Policy Change Section V.T.2.b(3)**

The proposed policy change would increase the Enrollment Workload Adjustment (EWA) from \$38.13 to \$78.98 over a two-year period with an interim value of \$52.65.

In the current year, the total affected dollars is estimated to be approximately \$2.5 million and would result in new state-funded appropriated money. This adjustment would allow the institutions to receive 100% reimbursement for the cost of instruction. The current amount of \$38.13 is one-third the total cost of education. The institutions have argued that the enrollment growth has been substantial and they need to be reimbursed at a higher rate to cover the cost of adding more students. Over the past couple of years, ISU had an equity adjustment in their request due to their growth and the funds didn't follow with the growth of the students.

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Mr. Hess commented that in order to determine if an EWA request is valid, the Committee would have to know if excess capacity exists in the program. If seats are available it would seem that the cost of growing the program shouldn't be significant. Proper business accounting would indicate that the definition of capacity and the proposed increased EWA should be considered together. One concern that might arise if these two items are not considered together is that when a request for additional funds is received and if new money is unavailable, the institution would have to reallocate from the above base decision units. The Academic Affairs Committee is continuing to work on the definition of capacity. This issue could be deferred and at a later date presented to the Board with more clarity. It would be beneficial to outline the real needs in the EWA. This may mean reallocation which is a valid request.

Mr. Boyd requested a narrative of the weighted credit hour value so that all Committee members could more fully understand the issue. Mr. Hasselquist added that a series of workshops for Board members may also be helpful.

Mr. Hammond moved to defer any action on this request at this time.

ACTION: M/S/C (Hammond/Boyd)

Meeting adjourned 2:05 PM.

Finance Committee Agenda

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Routine Action Item

ITEM #2

SUBJECT:

Institutional/Agency Routine Agendas

SUMMARY OF ROUTINE AGENDA ITEMS (See following pages for details):

- | | | | |
|------|---|-----------------------------|----------|
| 2.a | Lewis-Clark State College | | |
| 5.51 | Acquisition of Property | 609 10 th Avenue | \$89,500 |
| 5.52 | Acquisition of Property | 911 6 th Street | \$85,500 |
| 5.53 | Acquisition of Property | 609 9 th Avenue | \$44,000 |
| 2.b | Idaho School for the Deaf and the Blind | | |
| 4.9 | Information Item | Student Activity Funds | |

DISCUSSION:

Review routine agenda and move items to nonroutine agenda, if appropriate.

STAFF RECOMMENDATIONS:

Approve routine agenda.

COMMITTEE ACTION:

A motion to recommend to the Board the approval of the institutional/agency routine agendas.

Moved by _____, Seconded by _____, Carried Yes _____ No _____

BOARD ACTION:

A motion to approve the routine finance agenda items for Lewis-Clark State College and Idaho School for the Deaf and the Blind.

Moved by _____, Carried Yes _____ No _____

Finance Committee Agenda

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Routine Action Item

ITEM #2.a.1

Lewis-Clark State College

5.0 PHYSICAL PLANT

5.5 Purchase or Sale of Land and Facilities

5.51 Acquisition of Property

SUBJECT:

Board approval is requested for the college to purchase a piece of property.

BACKGROUND:

The Campus Master Plan indicates the long-range need for the college to acquire additional property near campus which will eventually be used for parking. The property listed below is immediately adjacent to the campus.

	<u>Appraisal Value</u>	<u>Purchase Price</u>
Property (609 10 th Ave.)	\$89,500	\$89,500

Because this property includes a two-bedroom living unit, it will be incorporated into the Housing/Food Service auxiliary until such time that it can be converted into parking. Funds for the acquisition will be borrowed and repaid from the income generated from the rental and with funds from the Campus Activity Center project budget.

DISCUSSION:

Because of the College's more immediate need for replacement parking required by the upcoming construction of the Campus Activity Center, property owners have placed higher values on their property; however, this property owner has agreed to sell at the market value.

The college administration seeks authority to:

If necessary, complete the loan agreement, by using the First Security Loan Agreement approved by the Board in January 1999, for the purchase of the property. The loan amount will not exceed \$89,500.

Complete the purchase agreement for the property.

Authorization is also requested for the college Vice President for Administrative Services and Bursar to execute the loan and purchase agreement on behalf of the Board.

FISCAL IMPACT:

The college will borrow the funds necessary for the purchase of the property and will repay the loan with the revenue from the rental of the house and with funds from the Campus Activity Center project budget.

Finance Committee Agenda

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Routine Action Item

ITEM #2.a.2

Lewis-Clark State College (continued)

5.52 Acquisition of Property

SUBJECT:

Board approval is requested for the college to purchase a piece of property.

BACKGROUND:

The Campus Master Plan indicates the long-range need for the college to acquire additional property near campus which will eventually be used for parking. The property listed below is immediately adjacent to the campus.

	<u>Appraisal Value</u>	<u>Purchase Price</u>
Property (911 6 th St.)	\$82,500	\$85,500

Because this property includes a three-bedroom living unit, it will be incorporated into the Housing/Food Service auxiliary until such time that it can be converted into parking. Funds for the acquisition will be borrowed and repaid from the income generated from the rental and with funds from the Campus Activity Center project budget.

DISCUSSION:

Because of the College's more immediate need for replacement parking required by the upcoming construction of the Campus Activity Center, property owners have placed higher values on their property. Thus, the price of \$85,500 is above the market appraisal on this property.

The college administration seeks authority to:

If necessary, complete the loan agreement, by using the First Security Loan Agreement approved by the Board in January 1999, for the purchase of the property. The loan amount will not exceed \$85,500.

Complete the purchase agreement for the property.

Authorization is also requested for the college Vice President for Administrative Services and Bursar to execute the loan and purchase agreement on behalf of the Board.

FISCAL IMPACT:

The college will borrow the funds necessary for the purchase of the property and will repay the loan with the revenue from the rental of the house and with funds from the Campus Activity Center project budget.

Finance Committee Agenda

October 21-22, 1999

Routine Action Item

ITEM #2.a.3

Lewis-Clark State College (continued)

5.53 Acquisition of Property

SUBJECT:

Board approval is requested for the college to purchase a piece of property.

BACKGROUND:

The Campus Master Plan indicates the long-range need for the college to acquire additional property near campus which will eventually be used for parking. The property listed below is immediately adjacent to the campus.

	<u>Appraisal Value</u>	<u>Purchase Price</u>
Property (607 9 th Ave.)	\$35,500	\$44,000

Because this property includes a one-bedroom living unit, it will be incorporated into the Housing/Food Service auxiliary until such time that it can be converted into parking. Funds for the acquisition will be borrowed and repaid from the income generated from the rental and with funds from the Campus Activity Center project budget.

DISCUSSION:

Because of the College's more immediate need for replacement parking required by the upcoming construction of the Campus Activity Center, property owners have placed higher values on their property. Thus, the price of \$44,000 is above the market appraisal on this property.

The college administration seeks authority to:

If necessary, complete the loan agreement, by using the First Security Loan Agreement approved by the Board in January 1999, for the purchase of the property. The loan amount will not exceed \$44,000.

Complete the purchase agreement for the property.

Authorization is also requested for the college Vice President for Administrative Services and Bursar to execute the loan and purchase agreement on behalf of the Board.

FISCAL IMPACT:

The college will borrow the funds necessary for the purchase of the property and will repay the loan with the revenue from the rental of the house and with funds from the Campus Activity Center project budget.

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Routine Action Item

ITEM #2.b

Idaho School for the Deaf and the Blind

4.0 FINANCE COMMITTEE

4.9 Audits and Financial Reports

ISDB submits the attached record of the Student Activity Funds for Board review in accordance with Idaho Code 33-705. (Attachment A)

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Idaho School for the Deaf and the Blind (continued)

ATTACHMENT A

STUDENT ACTIVITY FUNDS AS OF SEPTEMBER 27, 1999

BELOW LISTING OF STUDENT ACTIVITY FUNDS IS A REPORT SUBMITTED
TO STATE BOARD OF EDUCATION IN ACCORDANCE WITH IDAHO CODE
33-705

	BALANCE	BALANCE	CHANGE
	08-27-99	09-27-99	INCREASE
			(DECREASE)
SALES TAX	59.55	103.75	44.20
ATHLETICS	4,757.27	4,821.54	64.27
WSBC	2,191.90	2,191.90	0.00
ATHLETIC APPAREL	(79.13)	(69.13)	10.00
GIRLS SOCCER FUND	0.00	667.87 *	667.87
CHEERLEADING	505.07	457.82	(47.25)
CLASS OF 2000	172.16	172.16	0.00
CLASS OF 2001	36.00	52.00	16.00
CLASS OF 2002	126.49	135.49	9.00
CLASS OF 2003	12.00	32.00	20.00
MAINT. BREAK ROOM	124.31	128.96	4.65
COTTAGE FUND	308.07	308.07	0.00
ELEM ACTIVITIES	61.65	61.65	0.00
FHA ACCT	131.61	131.61	0.00
PARENTS ADVISORY COM	168.61	168.61	0.00
M.S. STUDENT COUNCIL	50.62	34.06	(16.56)
H.S. STUDENT COUNCIL	385.53	385.53	0.00
JOURNALISM	584.98	584.98	0.00
JR NAD	294.98	294.98	0.00
ED STAFF POP MACH	1,069.64	1,189.64	120.00
HEALTH & WELLNESS	140.00	100.00	(40.00)
STUDENT ACT. FUND	4,555.54	4,430.85	(124.69)
WORK EXP (PREV CANDY)	382.93	360.87	(22.06)
SCHOOL PICTURES	0.00	0.00	0.00
STUDENT BOOK STORE	20.80	123.40	102.60
ACCELERATED READER	81.82	81.82	0.00
DRAMA FUND	270.01	39.81	(230.20)
ADVENTURERS	81.94	121.94	40.00
CLASS 8-B M A BATON	11.91	11.91	0.00
SUMMER DEAF CAMP	2,550.91	2,500.91	(50.00)
VOLLEYBALL FUND	267.00	267.00	0.00
GREENHOUSE FUND	(43.47)	(43.47)	0.00
J. WILDING SCHOLARSHIP	200.00	200.00	0.00
ART FUND	195.66	195.66	0.00
TECH CLUB (VIDEO YB)	80.86	80.86	0.00
YEARBOOKS	2,415.54	2,575.00	159.46
LIONS WINTER CAMP	52.17	52.17	0.00
HRG AID FUND-MOLDS	(11.71)	263.99	275.70
HA GIFT F/HRG CM TCH	197.55	197.55	0.00
HEARING AID REPAIRS	38.18	38.18	0.00
PERS. STUDENT ACCT	1,146.93	1,066.98	(79.95)
STUDENT AID	1,885.52	1,665.49	(220.03)
TOTALS.....	25,481.40	26,184.41	703.01

* NEW FUND

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

ITEM #3.1

Idaho State University

4.0 Financial Affairs

4.2 Purchase and Sale of Property and Equipment

4.21 Purchase of Rhoads Building

SUBJECT:

Idaho State University requests approval to purchase the Rhoads building, 1030 S. 2nd Avenue, to be used as a permanent storage facility, replacing leased storage facilities.

BACKGROUND:

The Rhoads building is comprised of Lots 11 thru 20, Block 355, Pocatello Townsite, Bannock County, Idaho, situated between East Putnam Street and East Dillon Street. The property consists of 42,000 square feet, which includes a retail store of 19,200 square feet, parking lot, and a concrete pad/dock and loading well. The specific zoning for the Rhoads building and surrounding neighborhood is primarily warehouse, commercial and residential in use. The property is located at the southeasterly end of the traditional warehouse/wholesale district to the east.

DISCUSSION:

The acquisition of the Rhoads building will enable Idaho State University to establish a permanent central storage facility, in close proximity to the University (see Attachment A). It will replace other existing facilities which are currently being leased as well as providing additional needed capacity.

FISCAL IMPACT:

The estimated cost of the Rhoads building and surrounding property is \$336,000. Funding will be provided by savings generated from elimination of the current annual lease payments in the amount of \$34,750.

STAFF RECOMMENDATIONS:

Approve the request.

COMMITTEE ACTION:

A motion to recommend to the Board approval of the request from Idaho State University to purchase the Rhoads building and surrounding property, located at 1030 S. 2nd Avenue, at the estimated cost of \$336,000, and to be used as a permanent storage facility, replacing leased storage facilities.

Moved by _____, Seconded by _____, Carried Yes _____ No _____

BOARD ACTION:

A motion to approve the request from Idaho State University as stated in the Committee motion above.

Moved by _____, Carried Yes _____ No _____

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

ITEM #3.2

University of Idaho

5.0 PHYSICAL PLANT

5.8. Naming/Memorializing Buildings/Facilities

5.8.1 Naming of College of Business and Economics Building

Ref: Regents' Minutes for June 17-18, 1999, p. 21

SUBJECT:

Request approval to name the College of Business Building in honor of J. A. Albertson.

BACKGROUND:

In June 1999 the Regents approved planning, design, and construction of a separate facility for the College of Business & Economics. The facility will include specialized classrooms, offices, and support spaces serving the college and the university. The initiative includes both an addition to, and the renovation of, the existing Administration Annex Office Building.

DISCUSSION:

A substantial contribution to the University of Idaho in support of the new College of Business and Economics building has been made in the name of J. A. Albertson, who opened his first grocery store in Boise in 1939 and went on to build his business into Albertson's, Inc., the nation's second largest grocery store chain and a leading business corporation in Idaho. This naming recommendation is made in recognition of the achievements of J. A. Albertson, as well as current gift support of the Albertson family and corporation. Their history of financial support and leadership in business and education within Idaho and at the University of Idaho is unmatched. The University of Idaho maintains close relationships with Albertson interests through its many alumni who hold leadership positions with the Albertson organizations, as well as Albertson officers who provide guidance and advice within University circles.

The University wishes to recognize Mr. Albertson's generous contribution by naming the College of Business and Economics Building in his honor.

FISCAL IMPACT:

No fiscal impact resulting from naming of the facility.

STAFF RECOMMENDATIONS:

Approve the request.

COMMITTEE ACTION:

A motion to recommend to the Board approval of the request from University of Idaho to name the College of Business Building in honor of J.A. Albertson.

Moved by _____, Seconded by _____, Carried Yes _____ No _____

BOARD ACTION:

A motion to approve the request from University of Idaho as stated in the Committee motion above.

Moved by _____, Carried Yes _____ No _____

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

ITEM #3.3

Lewis-Clark State College

4.0 FINANCE COMMITTEE

4.8 Contracts for Services/Agreements/Authorizations

4.81 NAIA World Series Contract

SUBJECT:

Agreement for LCSC to host the NAIA Baseball National Championship Tournament.

BACKGROUND:

Lewis-Clark State College hosted the NAIA World Series for seven years ending its agreement with the NAIA in 1991. At that time the NAIA decided to try a new format for the Series and moved it away from the Pacific Northwest. Since that time the Series had been held at three different sites with the outcome being relatively the same at each location. Attendance was poor, there was little or no community involvement and the experience for the student athletes was less than desired. We were approached by the NAIA to bid on the baseball championship for the years 2000-2006.

Lewis-Clark State College's commitment to hosting the NAIA World Series will include the college providing a quality event that is financially successful to the institution yet affordable to the public. The Series shall provide the NAIA, participants, the college and the Lewis-Clark Valley with a memorable, successful, positive, enjoyable and well-managed event, including an educational experience. Item #3.3.a is an execution copy of the agreement.

DISCUSSION:

The Board Rules authorizes the Executive Director to approve agreements that do not place significant burdens on institutions. Because of the on-going discussions on athletics, this item is brought to the Board for its review and approval.

FISCAL IMPACT:

The college has prepared a budget for the Series on a breakeven basis. Although, at a minimum we will breakeven, we anticipate creating an annual surplus between \$15,000 and \$20,000. One of the six goals established for the Series addresses fiscal success and the investment thereof into the educational mission of the college. Other strategies for the financial goal include reinvesting in the event itself and in the economic development of the Lewis-Clark Valley.

STAFF RECOMMENDATION:

If the benefits exceed the costs, approve the agreement.

COMMITTEE ACTION:

A motion to recommend to the Board approval of the request from Lewis-Clark State College to enter into contractual agreement with the National Association of Intercollegiate Athletics (NAIA) relative to the organization, management, and administration of the NAIA Baseball National Championship Tournament to be held at Harris Field, Lewiston, Idaho.

Moved by_____, Seconded by_____, Carried Yes_____ No_____

BOARD ACTION:

A motion to approve the request from Lewis-Clark State College as stated in the Committee motion above.

Moved by_____ Carried Yes_____ No_____

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Nonroutine Action Item
Lewis-Clark State College (continued)

ITEM #3.3.a

EXECUTION COPY

**NATIONAL ASSOCIATION OF
INTERCOLLEGIATE ATHLETICS**
6120 South Yale Avenue, Suite 1450, Tulsa, Oklahoma 74136

NAIA BASEBALL NATIONAL CHAMPIONSHIP

CHAMPIONSHIP HOST AGREEMENT

The National Association of Intercollegiate Athletics (hereinafter referred to as the "NAIA") and Lewis-Clark State College, Lewiston, Idaho (hereinafter referred to as the "Host") agree to the following conditions relative to the organization, management and administration of the NAIA Baseball National Championship Tournament (the "Championship") to be held at Harris Field, Lewiston, Idaho.

APPROVAL AND ACKNOWLEDGEMENTS

- A. The NAIA hereby approves Lewis-Clark State College as the official host of the Championship. The Championship shall consist of a ten team double elimination tournament beginning the Friday prior to Memorial Day during each year of this Agreement. The game schedule and times shall be mutually agreed upon by the Host and the NAIA.
- B. The Championship shall be conducted under the direct control and supervision of the NAIA, including the implementation of policies established by the NAIA Baseball Coaches Association and the NAIA Council of Athletics Administrators (the "CAA"). Policies regarding format of the Championship are subject to change by the NAIA Council of Presidents (the "COP") and the CAA. The NAIA shall approve the designation of the Host's Championship Coordinator, who shall work with the NAIA national office administrator (the "NAIA Administrator") in organizing and conducting the Championship.
- C. The Host shall indemnify fully and hold harmless the NAIA, its officers, agents and employees from any and all claims, demands, and causes of action, including the cost of attorney's fees arising out of anything done or purported to have been done by the Host, or any of its agents, under this Agreement.
- D. The NAIA shall indemnify fully and hold harmless the Host, its officers, agents and employees from any and all claims, demands and causes of action, including the cost of attorney's fees arising out of anything done or purported to have been done by the NAIA, or any of its agents, under this Agreement.
- E. Corporations with business interests beyond the local area of the Championship site shall not be solicited for financial support without the prior written approval of the NAIA. Further, no businesses or corporations shall be identified or receive recognition as a title sponsor of the Championship without prior written approval from the NAIA.
- F. Alcoholic beverages and tobacco products of any form shall not be advertised, sold, disbursed, or brought onto the site of the Championship.

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Nonroutine Action Item

Lewis-Clark State College (continued)

- G. The Host shall honor all NAIA membership cards and all NAIA credentials issued to authorized players, coaches, officials and media for admittance to the Championship. NAIA players/coaches in the Championship with proper credentials, and not participating in the game in progress, will be provided designated seating areas. NAIA membership cards presented at the Championship also will be honored.
- H. The NAIA shall be responsible for any and all negotiations for radio and television rights. The NAIA will assist the Host in procuring and developing broadcast packages. The Host and the NAIA will share equally all rights fees and expenses associated with radio and television broadcasts. The NAIA has granted TotalSports the exclusive right to live internet cybercasts of the Championship. Any internet cybercast or website must be approved in writing by the NAIA and TotalSports.
- I. The name National Association of Intercollegiate Athletics, initials NAIA, logo and other NAIA symbols and insignia (the "NAIA Marks") are the exclusive property of the NAIA. The Host is awarded limited rights and privileges in using the NAIA Marks to promote, advertise and market the Championship. Such use of the NAIA Marks by the Host is restricted in the following areas which require express written approval by the NAIA.
 - 1. **Commercial Sales** - Any product featuring the NAIA name, initials or logo, and being sold prior to, during or after the national Championship.
 - 2. **Awards** - This includes, but is not limited to trophies, ribbons, medals, award banners, rings and lapel pins.
 - 3. **Promotional Giveaways** - Any product featuring the NAIA, name, initials or logo which is given to fans, coaches, or athletes before, during or after the national Championship; or any product featuring the NAIA name, initials or logo which is given to volunteers, Championship coordinators and championship workers/officials.
- K. Merchandise denoting NAIA Marks or competing merchandise for commercial sale or promotional giveaway shall be marketed, sold or purchased ONLY through an approved NAIA vendor (the "Championship Vendor"). The Host shall ensure that the Championship Vendor has a covered area, at no cost to the Championship Vendor, to market and sell NAIA merchandise at the playing site, hotel headquarters, banquet area, and registration area. Such sales areas shall be equipped with tables, chairs, electricity and a phone line (where reasonably available). In addition, the Host shall provide volunteers to assist the Championship Vendor's on-site supervisor. In exchange for such personnel assistance, the Host shall receive ten percent (10%) of gross sales. "Gross Sales" is defined as all sales minus refunds and applicable taxes.
- L. For merchandise depicting NAIA Marks only, the NAIA shall receive the entire twenty percent (20%) commission paid by the Championship Vendor on Gross Sales. For merchandise depicting NAIA Marks and the Host's name or logo, the twenty percent (20%) commission shall be divided 50/50. For merchandise depicting the Host's name or logo only, the Host shall receive the entire twenty percent (20%) commission paid on Gross Sales. All commissions listed in this paragraph are in addition to the 10% paid to Host in paragraph K. of this section.

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

Lewis-Clark State College (continued)

II. RESPONSIBILITIES OF THE PARTICIPATING INSTITUTIONS

- A. Participating institutions shall designate official traveling parties of a maximum of 26 persons, of which no more than 24 may be eligible players in uniform.
- B. Participating institutions shall provide a list of a maximum of 28 persons to receive authorized team credentials for admittance to all sessions.
- C. Participating institutions shall pay for the cost of transportation, to and from Spokane, Washington and/or Lewiston, Idaho.
- D. Participating teams shall attend and participate in the Championship banquet, official opening ceremonies and any awards presentations as deemed necessary by the NAIA.
- E. Participating institutions shall be responsible for medical, hospitalization, travel and accident insurance for all members of the traveling party.
- F. Participating institutions shall supervise the conduct of its athletes and staff, and assume any financial responsibility in the case of any property damages, unauthorized charges, etc.

III. NAIA RESPONSIBILITIES

- A. The NAIA, in cooperation with the Host, shall coordinate and administer the Championship, including the qualification of teams, seedings, pairings, and game times. However, Lewis-Clark State College will be guaranteed an evening game on the opening night of the Championship. The NAIA Baseball Tournament Committee will be responsible for game management during the Championship, including the monitoring of all on-field operations, the establishment of new game times due to inclement weather, the evaluation of umpires, and the scheduling of practice sites and times.
- B. The NAIA shall provide one (1) automatic berth for the Host during the 2000 and 2001 Championship.
- C. The NAIA shall select and assign eight (8) game umpires for the Championship in consultation with the NAIA Baseball Coaches Association. No more than four (4) of such umpires will be from Region I.
- D. The NAIA shall be responsible for the cost of travel for all NAIA National Office representatives assigned to the Championship.
- E. The NAIA shall order, ship and pay for all approved awards for the Championship.
- F. The NAIA shall select and assign the four-member NAIA Baseball Tournament Committee (the "Championship Committee").
- G. The NAIA shall provide general information content for the souvenir program to include VIP messages, previous results, rosters, Championship bracket, etc.
- H. The NAIA shall print and provide credentials for use by participants, coaches, authorized media, volunteers and officials.
- I. The NAIA shall print and provide an information press packet for the media covering the Championship. Press books may be printed at site, but shall be the financial obligation of the NAIA. The NAIA reserves the right to include the press packet as part of the Championship souvenir program produced by the Host.
- J. The NAIA shall have final approval of the agenda for the Championship banquet, opening ceremonies and awards ceremonies in consultation with the Host.

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

Lewis-Clark State College (continued)

- K. The NAIA shall provide an adequate number of baseballs for Championship competition. Only the officially designated NAIA ball shall be used during all competition.
- L. The NAIA shall prepare and mail all entry information and related materials.

IV. HOST RESPONSIBILITIES

- A. The Host shall provide Harris Field for a maximum of 19 games and ten one-hour practice sessions the day before the Championship begins at no cost to the Championship budget. Use of Harris Field shall include all facilities necessary for baseball including adequate lighting and sound system, concession stands, rest rooms, meeting rooms, box office, parking lots, etc.
- B. The Host shall provide auxiliary practice sites for the 10 participating teams at fields in the Lewiston community, with maintenance costs related to such practice sites charged to the Championship budget. Practice times and sites to be assigned by the NAIA Administrator and Championship Committee in cooperation with the Host.
- C. The Host shall provide all Championship personnel necessary to conduct the Championship, including but not limited to ticket sellers and takers, adequate security/police, concession vendors, maintenance crew, secretarial assistance, and hospitality workers.
- D. The Host shall provide press box personnel necessary for the administration of the games, including but not limited to statistical crew, scorekeepers, public address announcers and time keepers.
- E. The Host shall provide local travel (including Spokane Airport pickup and return), housing (up to ten rooms per team) and meals (or meal expenses up to \$20 per day) for the 26 person official party designated by each participating institution. Reimbursement for housing and meals shall begin the Thursday night preceding Memorial Day during each year of this Agreement. Such expenses shall be paid by Host regardless of whether there is sufficient Championship income to cover such costs.
- F. The Host shall provide travel (including Lewiston Airport pick-up and return), housing, meals and/or meal expenses up to \$25.00 per diem for the four members of the Championship Committee.
- G. The Host shall provide travel (including Lewiston Airport pick-up and return), housing, meals and/or meal expenses up to \$25.00 per diem and game fees for a maximum of eight (8) game officials. Four member umpire crews will work each of the first fifteen (15) games of the Championship. Games sixteen through eighteen (and game nineteen if needed) shall use six member umpire crews. Each umpire shall be paid \$65.00 for each game worked.
- H. The Host shall provide local travel (including Lewiston Airport pickup and return), housing, meals and/or meal expenses up to \$25.00 per diem for a maximum of two (2) NAIA representatives.
- I. The Host shall provide an NATA-certified trainer to cover all sessions of the Championship including the operation and administration of a training room. The NAIA will solicit the donation of normal training supplies for use by the Championship trainer. If complimentary supplies cannot be obtained, the cost of training supplies would be the responsibility of the Host.

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

Lewis-Clark State College (continued)

- J. The Host shall provide a maximum of eight (8) courtesy cars, with a full tank of gas for use by the NAIA committee and officials. Vehicles shall be assigned by the NAIA Administrator.
- K. The Host shall be responsible for arranging an opening banquet for all players, coaches and Championship officials. Complimentary tickets will be provided on the following basis: participating teams (260) and NAIA officials (20). The Host may offer public sale of banquet tickets at its discretion.
- L. The Host shall produce the Championship souvenir program in consultation with the NAIA Department of Sports Information. The cost of printing the Championship program will be the sole responsibility of the Host. The Host will retain all revenue derived from program advertising sold by the Host. The NAIA will confirm, in writing, the number of required pages for editorial/advertising copy prior to April 1 of each year of this Agreement.
- M. The Host shall be responsible for the printing of tickets, establishment of box office and outlets and the management of all Championship admissions. **NOTE:** Approval of the copy for the front and back side of Championship tickets and the cost of admissions must be approved by the NAIA Administrator.
- N. The Host shall be responsible for the advance publicity and promotion of the Championship to include any paid advertising, posters, flyers and related expenses.
- O. The Host shall be responsible for all expenses related directly to the administration of the Championship, including printing, postage, telephone calls, and supplies.
- P. The Host shall provide telephone service and office equipment [for the NAIA Championship Headquarters (hotel)] and Harris Field (Press Room) to include two (2) high-speed copiers, two (2) facsimile (FAX) machines, two (2) typewriters and four (4) telephone lines/equipment (2 for the hotel and 2 for the arena) installed for use by NAIA authorized personnel. The Host also shall provide an on-line work station with internet access and an e-mail account in the press room for use by NAIA authorized personnel. The installation of a minimum of six (6) credit card only and/or coin operated telephones for media use is also recommended.
- Q. The Host shall provide general commercial liability insurance pursuant to the limits established under the Idaho Torts Claims Act. The Host shall name the NAIA as an "additional insured" party and shall provide the NAIA with documentation of such liability insurance no later than 90 days prior to each Championship.
- R. The Host shall provide medical coverage of the Championship to include a physician and ambulance service on-site or immediately on-call throughout the Championship.
- S. The Host shall provide the official photographer and photography services to include reproduction, sales, and distribution covering the banquet, Championship and awards ceremonies. The photographer shall send twenty prints free of charge, selected by the NAIA Administrator, to the NAIA National Office within ten (10) days after the completion of the Championship.
- T. The Host shall provide the official videographer and videotaping services to include reproduction, sales and distribution to all participating teams and spectators. All videotapes produced for NAIA will be the sole property of the NAIA. The videographer will library all NAIA master tapes for direct fulfillment purposes only.

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

Lewis-Clark State College (continued)

The NAIA will be able to direct all usage of Championship footage. The videographer shall send free of charge a copy of the championship game videotape to the NAIA National Office within ten (10) days after completion of the Championship. Reproduction and sales are limited to one year after Championship production.

- U. The Host shall provide complimentary space to be used as a Championship headquarters including complimentary meeting rooms, secretarial assistance, supplies, etc.

V. FINANCIAL AGREEMENT

- A. The Host shall submit an estimated budget of income and expenses to the NAIA Championship Administrator at least sixty (60) days prior to the beginning of the Championship.
- B. A financial report of all Championship income and all Championship expenses shall be sent to the NAIA Championship Administrator within sixty (60) days upon conclusion of the Championship.
- C. The Host shall be responsible for all costs described in Section IV of this Agreement regardless of whether there is income derived from the Championship to cover such costs. If income remains after paying such expenses described in Section IV, the Host shall retain all such income.

VI. TERM OF AGREEMENT

This Agreement shall cover the 2000, 2001, 2002, 2004, 2005 and 2006 NAIA Baseball Championship. The NAIA reserves the right to conduct the 2003 NAIA Baseball Championship as part of the 2003 NAIA Spring Championship Games. Should the NAIA choose to conduct the 2003 NAIA Baseball Championship separate from a Spring Championship Games format, the Host agrees to host the 2003 NAIA Baseball Championship. The NAIA will notify the Host of the decision regarding the 2003 NAIA Baseball Championship no later than June 1, 2001.

Both parties hereby agree to negotiate in good faith an extension of this Agreement during a ninety (90) day period beginning the day after the conclusion of the 2003 NAIA Baseball Championship.

IN WITNESS WHEREOF, the NAIA and Lewis-Clark State College, Lewiston, Idaho have caused this Agreement to be executed as of the day and year written below.

Finance Committee Agenda

October 21-22, 1999

Nonroutine Action Item

Lewis-Clark State College (continued)

NATIONAL ASSOCIATION OF INTERCOLLEGIATE ATHLETICS

By: _____
Authorized Signature

Printed Name

Title

Date

LEWIS-CLARK STATE COLLEGE

By: _____
Authorized Signature

Printed Name

Title

Date

Finance Committee Agenda

October 21-22, 1999

Action Item**ITEM #4****SUBJECT:**

Final Reading of Policy Change – Enrollment Workload Adjustment Emphasis Factors

BACKGROUND:

The Board's allocation process links funding to the role and mission statements with the enrollment workload adjustment (EWA). The EWA provides additional funding to institutions for increases in enrollment. The EWA weights credit hours an additional 5% in programs that institutions have been designated as having primary emphasis in their role and mission statement. The Board recently approved revisions to the role and mission statements for the colleges and universities, including changes to the primary emphasis statements. The proposed policy change would update the EWA policy to reflect the current role and mission statements. The first reading of this proposed policy change was approved at the September 1999 meeting as detailed in Item #4.a.

DISCUSSION:

The Board's current EWA policy is not consistent with the approved role and mission statements. The proposed policy change to the emphasis factors would bring the EWA policy into conformity with the role and mission statements.

FISCAL IMPACT:

The EWA adjusts funding (both positive and negative) to institutions as enrollment increases or decreases. The adjustment is based on a three-year moving average in an attempt to reduced large fluctuations due to enrollment changes. The proposed changes would result in a minor funding increase for FY2001 (BSU-\$16,400 and LCSC - \$28,600).

STAFF RECOMMENDATION:

Approve the proposed policy change.

FINANCE COMMITTEE ACTION:

A motion to recommend to the Board the final reading of a policy change to the enrollment workload adjustment, changing the primary emphasis factors at Boise State University and Lewis-Clark State College as detailed in Item #4.a.

Moved by_____ Seconded by_____ Carried Yes___ No___

BOARD ACTION:

A motion for the final reading of a policy change to the enrollment workload adjustment, changing the primary emphasis factors at Boise State University and Lewis-Clark State College as detailed in Item #4.a.

Moved by_____ Carried Yes___ No___

Finance Committee Agenda

October 21-22, 1999

Idaho State Board of Education

ITEM #4.a.1

GOVERNING POLICIES AND PROCEDURES

SECTION: V FINANCIAL AFFAIRS

Revised March 1999

SUBSECTION: T Allocation of the Lump Sum Appropriation
April 1994

ALLOCATION OF THE LUMP SUM APPROPRIATION

1. Objectives
 - a. The funding process should offer maximum institutional flexibility to allocate funds internally to carry out roles and missions established by the Board.
 - b. The funding process should be a straightforward approach which can be used by the Board to express system-wide priorities.
 - c. There should be a clear and understandable relationship between institutional needs, the system-wide funding request, the legislative appropriations, the allocation of funds, and the ultimate use of the funds.
 - d. The funding process should not penalize institutions as the result of decisions related to the internal allocation of resources by other institutions.
 - e. Any incentives that the Board uses in the funding process should be explicit.
 - f. The funding process should be applied consistently from year-to-year so that there can be some level of predictability in the allocation as well as increased confidence in the outcome.
 - g. The funding process should encourage cooperative programs among institutions.
 - h. The funding process should be compatible with the Statewide Plan for Higher Education.

2. Methodology

The allocation shall consist of the total of the lump sum general account appropriation and actual land grant endowment receipts. The allocation shall be made in the following order:

- a. Each institution shall be allocated its base allocation of the prior year.
- b. An enrollment Workload Adjustment shall be applied to the allocation of each institution. The adjustment shall be calculated as follows:

Finance Committee Agenda

October 21-22, 1999

Idaho State Board of Education

ITEM #4.a.2

GOVERNING POLICIES AND PROCEDURES

SECTION: V

FINANCIAL AFFAIRS

Revised March 1999

SUBSECTION: T

Allocation of the Lump Sum Appropriation

Published April 1999

- (1) A three-year moving average of credit hours multiplied by the program weights shall be used. The three (3) years to be used shall be those which precede the year of the allocation and shall consist of two (2) years of actual and one (1) year of estimated credit hours.
- (2) Effective with the FY 1990 allocation, credit hours generated from externally funded sources and contracts shall be removed from this adjustment. Credit hours for in-service teacher education shall not be removed.
- (3) The total budget base of the institutions shall be multiplied by 0.33 and divided by the three-year moving average of total weighted credit hours for the prior year. The resultant amount per credit hour shall be multiplied by the change from the prior three-year moving average of weighted credit hours for each institution to calculate the adjustment by institution.
- (4) Program weights are the weighting factors applied to four (4) categories of instructional disciplines with different weight factors by category and course level. The groups and factors follow.

Group I

Physical Education

Law

Letters

Library Sciences

Mathematics

Military Science

Psychology

Social Sciences

Group II

Area Studies

Business & Management

Education

Communications

Home Economics

Public Affairs

Interdisciplinary Studies

Finance Committee Agenda

October 21-22, 1999

Idaho State Board of Education

ITEM #4.a.3

GOVERNING POLICIES AND PROCEDURES

SECTION: V FINANCIAL AFFAIRS

Revised March 1999

SUBSECTION: T Allocation of the Lump Sum Appropriation **Published April 1999**

Group III

Agricultural & Natural Resources
Architecture & Environmental Design
Biological Sciences
Fine & Applied Arts
Foreign Languages
Physical Sciences

Group IV

Engineering
Health Professions
Computer & Information Sciences

The weighting factors for the above categories are as follows:

Category

<u>Course Level</u>	I	II	III	IV
Lower Division	1.00	1.30	1.60	3.00
Upper Division	1.50	1.90	2.50	3.50
Graduate	3.50	3.50	6.00	6.50
Law	2.60	--	--	--

An additional 5% emphasis factor is given to the Primary Emphasis areas at each institution. These areas are:

Boise State University

Business
Social Science (includes Economics)
Public Affairs
Performing Arts (excluding Art)
~~Interdisciplinary Studies~~

Education

Engineering

Idaho State University

Health Professions
Biological Sciences
Physical Sciences
Education

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES

ITEM #4.a.4

SECTION: V FINANCIAL AFFAIRS

Revised March 1999

SUBSECTION: T Allocation of the Lump Sum Appropriation
April 1994

University of Idaho

Agriculture
Forestry
Mines
Engineering
Architecture
Law
Foreign Languages
Education

Lewis-Clark State College

~~Interdisciplinary Studies~~
Business
Criminal Justice
Nursing
Social Work
Education

- c. Operations and maintenance funds (custodial, maintenance, and utilities) for new, major general education capital improvement projects shall be allocated to affect institutions.
- d. Decision units above the base shall be consistent with the legislative budget request. The allocation of these decision units to the institutions shall be based on the proportionate share of each institution in the total budget request for these decision units applied to the increase in appropriations above the base excluding special allocations.
- e. The Board may also allocate funds for special activities or projects at the discretion of the Board.

Finance Committee Agenda
October 21-22, 1999

Action Item

ITEM #5

SUBJECT:

Report/Final Reading of Policy Change on the Increased Nonresident Fee Waivers

BACKGROUND:

At the September 1998 Board meeting, the Board discussed with the institutional presidents the issue of providing incentives for increasing enrollment in information technology. Some of the discussion centered on the ability to recruit the best and brightest nonresident students. The president's council was asked to develop a recommendation. During the November 1998 Board meeting, the presidents recommended a change in the Board's fee waiver policy to increase the number of nonresident tuition waivers for disadvantaged or deserving students from one percent to three percent of the institution's FTE. They also recommended that students receiving waivers be targeted for information technology programs, engineering and other programs with capacity. The Board approved the policy change for first reading at the January 1999 meeting but tabled the final reading in March 1999 until a report on the use of the waivers along with positive and negative implications was presented to the Board. The institutions submit a report identifying the use of waivers by discipline by class level by state of residency for each institution (Item #5.a-5.d).

DISCUSSION:

The institutional representative will discuss, during the committee meeting, the positive and negative implications of the use of the waivers. Item #5.e identifies the number of additional waivers that would be available to the institutions. Based on the committee discussion, a recommendation from the Finance Committee to the Board is in order for the final reading of the policy change, as presented in Item #5.f or as modified

FISCAL IMPACT:

The fiscal impact would be the loss of nonresident tuition revenue to the institution (assuming the students receiving the waivers would have attended an Idaho institution if they had not received a waiver). In addition, increased general account funds would be required through the Enrollment Workload Adjustment because these students would not be paying nonresident tuition, their credit hours would be included in the EWA. The bottom of Item #5.e estimates the general account fiscal impact.

STAFF RECOMMENDATION:

If the waivers are consistent with Board intent, approve the policy change.

FINANCE COMMITTEE ACTION:

A motion to recommend to the Board to approve for final reading a change in policy increasing the number of nonresident tuition waivers as detailed on Item #5.f.

Moved by _____ Seconded by _____ Carried Yes ___ No ___

BOARD ACTION:

A motion to approve for final reading a change in policy increasing to increase the number of nonresident tuition waivers for disadvantaged or deserving students from one percent to three percent of the institution's full-time equivalent enrollment.

Moved by _____ Carried Yes ___ No ___

**Finance Committee Agenda
October 21-22, 1999**

Idaho State Board of Education

ITEM #5.f.1

GOVERNING POLICIES AND PROCEDURES

SECTION: V FINANCIAL AFFAIRS

Revised June 1998

SUBSECTION: U Fee Waivers

Published April 1994

U. FEE WAIVERS

1. Authority for Fee Waivers.

An institution shall not waive any of the applicable fees specified in Section V, Subsection R, unless specifically authorized in this subsection. Special fees are not defined as a fee waiver.

2. Waiver of Nonresident Tuition.

Nonresident tuition may be waived for the following categories:

a. Graduate/Instructional Assistants.

Waivers are authorized for graduate assistants appointed pursuant to Section III, Subsection P.11.c.

b. Intercollegiate Athletics.

For the purpose of improving competitiveness in intercollegiate athletics, the universities are authorized up to 225 waivers per semester and, Lewis-Clark State College is authorized up to 70 waivers per semester. The institutions are authorized to grant additional waivers, not to exceed ten percent (10%) of the above waivers, to be used exclusively for post-eligibility students.

c. Disadvantaged or Deserving Students.

The chief executive officer of each higher education institution is authorized to waive nonresident tuition for disadvantaged or deserving students not to exceed three percent of the institution's full-time equivalent enrollment.

d. Reciprocity with the State of Washington.

Based on a limit approved by the Board, waivers may be allocated on an annual basis by the executive director of the Board to the college and universities in postsecondary education programs for Washington residents. An equal number of opportunities shall be afforded to Idaho residents in Washington postsecondary institutions.

**Finance Committee Agenda
October 21-22, 1999**

Idaho State Board of Education

ITEM #5.f.2

GOVERNING POLICIES AND PROCEDURES

SECTION: V FINANCIAL AFFAIRS

Revised June 1998

SUBSECTION: U Fee Waivers

Published April 1994

- e. Reciprocity with Utah State University.

Based on a limit approved by the Board, Idaho State University is authorized to waive nonresident tuition for residents of the State of Utah when an equal amount of waivers are made available to Idaho residents at Utah State University.

- f. College of Mines.

Based on a limit approved by the Board, the College of Mines at the University of Idaho is authorized waivers to encourage enrollment in **mining**, metallurgy, and geology.

- g. Reciprocity with the State of Oregon.

Based on a limit approved by the Board, waivers are authorized for undergraduate students who are residents of the State of Oregon and who are majoring in mining engineering, metallurgical engineering, or geological engineering at the University of Idaho. The number of waivers to be awarded annually shall be limited by the number of waivers provided to Idaho residents in Oregon institutions of higher education.

- h. Domestic Student Exchange Program.

Waivers are authorized for nonresident students participating in this program.

- i. Western Interstate Commission for Higher Education

Waivers are authorized for nonresident students participating in the WICHE Professional Student Exchange Program and the Graduate Student Exchange Program.

3. Reporting Requirements.

Each institution shall submit an annual report on fee waivers on a date and in a format determined by the executive director of the Board.

**Finance Committee Agenda
October 21-22, 1999**

Action Item

ITEM #6

SUBJECT:

Intercollegiate Athletics Report

BACKGROUND:

Section III.T.3. of Board Policy requires an annual financial report of Intercollegiate Athletics' revenues and expenditures, fund balance, amount of nonresident tuition waivers and number of participants. Section III.T.2.b. establishes the general account limit institutions can allocate for intercollegiate athletics which for FY1999 is \$1,522,200 for the universities and \$565,900 for LCSC. For FY2000, the limits are \$1,597,500 and \$593,900, respectively. The limit is adjusted annually by the rate of change in the general education funds allocated by the Board. Additional general account funds can be allocated by the institutions for implementing gender equity plans.

DISCUSSION:

The reports identify actual expenditures and revenue for FY97, FY98 and FY99 and estimated revenue for FY00 is attached (Item #6.a). The first page summarizes the revenue and expenditure, the second and third pages categorizes the revenue and expenditure by sport and the fourth and fifth pages identify the participants by sport.

In addition, concerns have been expressed about the operations of facilities that support athletic activities. A report summarizing their revenue and expenses is presented in Item #6.b.

FISCAL IMPACT:

No fiscal impact.

STAFF RECOMMENDATION:

Receive the report.

FINANCE COMMITTEE ACTION:

A motion to recommend to the Board to receive the annual Intercollegiate Athletics report.

Moved by _____ Seconded by _____ Carried Yes ___ No ___

BOARD ACTION:

A motion to receive the annual Intercollegiate Athletics report.

Moved by _____ Carried Yes ___ No ___

**Finance Committee Agenda
October 21-22, 1999**

Action Item

ITEM #7

SUBJECT:

Intercollegiate Athletics – Proposed Policy Changes

BACKGROUND:

Intercollegiate athletics has been a discussion item during several meetings over the last year with primary attention on disclosing the revenue that supports the program. With an understanding of that information, the Board is now in a better position to review the policies concerning intercollegiate athletics. The Board's philosophy statement, policies and financial reporting requirements for intercollegiate athletics is in Section III.T.

DISCUSSION:

The focus of the Board's discussions has centered on if the Board should establish limits on the use of various funds that support athletics. The staff has drafted proposed changes to Board policy for the areas of discussion (Item #7.a). The draft will hopefully provide a better understanding of potential changes.

FISCAL IMPACT:

Fiscal Impact depends on direction taken by the Board on limiting the amount of funds that are available for intercollegiate athletics.

STAFF RECOMMENDATION:

Depending on the Board's position on the future funding of the athletic program, policy changes need to be considered.

FINANCE COMMITTEE ACTION:

The Committee will only discuss this topic to clarify issues. The topic will be discussed with the Board following Committee reports.

BOARD ACTION:

A motion to bring back the proposed policy changes to Section III.T. for first reading as detailed in Item #7.a. at the November 1999 meeting.

Moved by _____, Carried Yes _____ No _____

**Finance Committee Agenda
October 21-22, 1999**

Information Item

ITEM #8

SUBJECT:

Intercollegiate Athletics Compensation Report

BACKGROUND:

In FY97, the Board adopted an annual report on the compensation of the employees of the Intercollegiate Athletic Department. The report details the compensation received by administrators and coaches by base salary and additional compensation. In addition, contract bonuses and perquisites are identified, if applicable. The reports, by institution, report FY99 actual compensation and FY2000 estimated compensation (Item #8.a-8.b).

DISCUSSION:

These reports are for information only and do not require Committee or Board action unless the Committee and/or Board wishes to have the reports changed.

FISCAL IMPACT:

No fiscal impact.

STAFF RECOMMENDATION:

Review the reports and determine if changes should be made to the reports and if the reports should be continued.

FINANCE COMMITTEE ACTION:

No Committee action required.

BOARD ACTION:

No Board action required.

Finance Committee Agenda
October 21-22, 1999

Information Item

ITEM # 9

SUBJECT:

Status Report on Y2K

BACKGROUND:

The Finance Committee has requested regular reports on activities the institutions are undertaking to be prepared for the potential problems related with going from December 31, 1999 to January 1, 2000. In cooperation with the Department of Administration, the institutions are preparing for Y-2-K conversion. The institutions have been reporting regularly to the Department of Administration on the status of issues relating to Y2K. Of the issues known to create potential problems, steps have been taken to eliminate or reduce the problems.

DISCUSSION:

FISCAL IMPACT:

The institutions will be prepared to discuss this issue in detail, if desired.

STAFF RECOMMENDATION:

The Finance Committee needs to review the revised requests and the areas of reconsideration and develop a recommendation for the Board's consideration.

FINANCE COMMITTEE ACTION:

No action necessary unless the Committee wishes to direct the institutions on specific issues.

Moved by _____ Seconded by _____ Carried Yes ___ No ___

BOARD ACTION:

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